



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
1401 EAST BROAD STREET
RICHMOND, VIRGINIA 23219-2000

GREGORY A. WHIRLEY
COMMISSIONER

March 17, 2011

To: County Administrators/City & Town Managers

RE: FY2012 Revenue Sharing Program

This is a follow-up to my letter from last October where we asked for “letters of intent” for those intending to apply for FY 2012 Revenue Sharing funding. Thank you for taking the time to respond. I’ve shared the results of this with the Commonwealth Transportation Board (CTB) on several occasions.

I now want to provide an update of pending changes that both houses of the General Assembly have passed regarding the program (HB2527/SB1446) and to highlight our plan to move forward with implementing these changes by July 1st.

The proposed legislation:

- Eliminates the previous priority tiers with prioritization now given “to allocations that will accelerate projects in the Commonwealth Transportation Six-Year Improvement Plan or the locality’s capital plan”.
- Increases the maximum allocation the CTB may make to the Revenue Sharing Program up to \$200 million.
- Increases the maximum equivalent matching allocation the CTB may make to any county, city, or town up to \$10 million. The current Code limits the matching allocation to \$1 million.
- Provides that the funds allocated by the CTB for the Revenue Sharing Program will be distributed and administered in accordance with revenue sharing guidelines established by the Board.
- Eliminates the requirement that the matching funds come from the locality’s general fund. Matching funds must still be additional funds provided from the locality, but the legislation no longer specifies which account these funds must come from. Other VDOT administered fund sources still cannot be considered as the match.

Although this legislation must be ratified by the Governor, we are confident that there will be minimal changes and are therefore moving aggressively to ensure funds are made available to you as soon as possible. In order to have your requests for program funding for the fiscal year ending June 30, 2012 considered, the following items **must be provided** to the Local Assistance Division **through your local VDOT representative by Friday, April 29, 2011** (Note: We have provided additional time over what was communicated in the October 2010 letter mentioned above):

- A resolution outlining your request to participate and support of the potential project(s) identified for possible funding from the program. (sample on our website)

County Administrators/City & Town Managers

March 17, 2011

Page 2

- A *Detailed Designation of Funds Form* (i.e. application) for each project, which provides detailed project information (form on our website) submitted electronically, followed up by signed paper copies

Please note that the application form has been updated accordingly so please be sure that the form you use has a revision date of 3/1/2011. This form is located at <http://www.virginiadot.org/business/local-assistance.asp>.

Updates are also being made to the Revenue Sharing Guidelines. High-level guideline changes were discussed with the CTB yesterday and we are working to have these guidelines updated and approved at the CTB's April meeting. The revised guidelines will be uploaded to our web site at that time. In the interim, based on our preliminary discussions with the CTB, we have provided adequate guidance for your use as you work to apply by April 29th. These are also on our website. One of the most important points to note is the types of projects that are eligible have not changed and all applications should focus on your locality's request for up to \$1 million first and then on identifying additional funding requests over \$1 million if adequate funding is made available.

Based on the changes to the Revenue Sharing Program effective July 1, 2011, I'm confident there will be many of you who would like to increase your participation in this program. At present, the proposed budget for the program is set at \$50 million and I cannot tell you what the final CTB allocation for the program will be. However, I would suggest you propose the amount you wish to have allocated in your application. It is anticipated that the CTB will make its final decision on the program at their June meeting.

The Department looks forward to working with you on this during the upcoming months. I encourage you to contact your local VDOT representative for assistance in identifying projects or developing estimates. If you have any questions about the Program, you may contact Debbi Webb-Howells at (804) 786-1519 or by email at Debbi.Webb-Howells@VDOT.virginia.gov. You may also reach me at (804) 786-2745 or by email at Michael.Estes@VDOT.virginia.gov

Sincerely,

Michael A. Estes, P.E.

Director, Local Assistance Division

cc: Commonwealth Transportation Board
Virginia Association of Counties
Virginia Municipal League
VDOT District Administrators